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ABSTRACT

There is now an enormous communications belt between the academic world and government. The whole thrust of the new direction in federal funding of urban programs is to give people with bad housing and state and local governments with immoveable problems the cash they need to back up their particular priorities in the marketplace. This means experimenting with direct cash assistance as an alternative to inefficient and inequitable federal construction subsides to help those in need of safe and sanitary housing. The Urban Observatory program is administered by the National League of Cities and it represents the indispensable cornerstone in building a network of local government-university partnerships. The program operates at present in 10 cities and it has begun to build in these cities an effective communication belt for bringing local research capabilities to search for solutions to local community problems. Clearly, then, if government is to meet the most pressing domestic needs of the 70s, there must be a flexible and responsive research partnership among all levels of government and education. (Author/PG)

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NEW DIRECTIONS IN THE FEDERAL FUNDING OF URBAN PROGRAMS

REMARKS PREPARED FOR DELIVERY

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at the

Regional Conference on the
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The subject of this conference --- the urban involvement of higher education --- is one I approach with great fascination if not a little trepidation. The conflict between town and gown, after all, is almost as ancient as the battle of the sexes. And since HUD, to my knowledge, has contributed little to a resolution of the latter, you are perhaps entitled to some skepticism about its prescriptions for resolving the former.

In times past, the mutual suspicion and tension between university and city has been cast in almost apocalyptic terms. It was the conflict between good and evil no less, between the worldly and the innocent, between the untrammeled pursuit of truth and beauty and the contaminating temptations and brutalizing diversions of the real world.

That view was reflected in the decidedly rural bias that shaped the locational pattern of American colleges and universities --- a bias that only now is being washed away by the vaulting growth of an Urban America. The founders of the University of North Carolina, just as an illustration, has such deep-felt concern that a townsite would contaminate academic activities that their charter --- which was written

in 1789 --- stipulated the university could not be located within five miles of any seat of government or any place where law and equity courts met.

Today, of course, such anecdotes amuse us. It is difficult for most of us to fathom the heat that men could bring to such concerns when all around us we see the blurring --- even the disappearance -- of fixed institutional roles and the erosion of traditional lines of jurisdiction in the face of extraordinarily rapid social change.

Obviously, there is now an enormous communications belt between the academic world and government. The heavy traffic between the universities and Washington, together with the heavy flow of Federal research money that inspires much of it, long has stood as mute testimony to the growing, if still uneasy, partnership forged between Federal policy-makers and the university community.

That partnership, of course, did not really flourish until after Sputnik, but it was supported by a reasonably long tradition of public service in the universities going back to the land-grant colleges with their research to help

farmers and to the Wisconsin Idea of Robert LaFollette who as Governor of Wisconsin pressed the state university at Madison into service as a brain trust for his reformist government.

While much of the academic traffic has related to defense or space, we have seen an explosion in Federally-supported social science research which came into its own during the long hot summers of the Sixties. At the end of 1973, HUD expenditures over the last six years on research in housing and urban affairs totaled $230 million. And in the past decade and a half we have witnessed an almost spectacular emergence in the universities of an urban studies movement, of new urban research centers and of the urbanologist as among the brightest stars in the academic firmament.

Yet, with all of this, it has been a little like a party to which the guest of honor was not invited. The bridges to Washington may have been in good repair. But what about City Hall? Where was the mayor, the sanitation commissioner, the police chief, the city council president? For them, the bridges hadn't yet been built; the age-old

chasm between city and university remained.

I would not wish to overstate the point lest you go away thinking I had not recognized the incalculable value of the basic research into urban problems that has resulted from this enormous blossoming of academic interest in the cities.

But I think Paul Ylvisaker, then of the Ford Foundation and now Dean of the Harvard School of Education, at a meeting sponsored by the American Council on Education almost a decade ago when the urban movement was still very young, put it about as well as anybody --- and the remarks are still relevant. He said:

> I believe that we are now coming to the end of the first period of urbanization and have reached the stage where the ideas produced during our decade of academic analysis are being picked up by political leaders --- the men of action. And, having adopted these concepts, the men of action are now asking for programs to cure the ills the analysts have diagnosed. What we need at this point are a few simple tools that the man on the street can grasp and use in his attempts to manage the new society. But such tools are hard to develop. Adequate programs can be developed only when we get close to where the problems are.

The man on the street and at City Hall is still waiting for those tools.

The New Federalism, by putting money and power back where the problems are, is designed to shorten the wait. The whole thrust of the new direction this Administration has charted in the Federal funding of urban programs is to give people with bad housing and state and local governments with immovable problems, which is about all of them, the cash they need to back up their own particular priorities in the marketplace and to set their own agendas.

This means experimenting with direct cash assistance, as we now are doing, as an alternative to inefficient and inequitable Federal construction subsidies to help those in need of safe and sanitary housing. And it means general and special revenue sharing which give the decision-making authority back to state and local governments, as the alternative to narrow categorical grant programs, which keep the Federal bureaucracy in the driver's seat.

We have been running blind for too long, throwing Federal money at social problems without paying enough attention to the results --- or lack of results.

Seven per cent of our population still lives in substandard housing. These are people for whom the solemn national goal set by Congress in 1949 of a decent home in a suitable living environment seems little more than an empty promise. The Housing and Urban Development Act of 1968 established a production timetable which sought to deliver on that promise in a decade but instead skewed Federal housing programs toward an emphasis on new production --- the most expensive and least efficient possible method of fulfilling that promise. The result has been that some $65 billion to $85 billion has been spent or committed in housing subsidies to provide a grand total of about 2.7 million housing units for the needy. That has provided housing assistance for fewer than one family out of 15 that technically are eligible for such help. To help all of those eligible through the subsidy approach would cost, we have estimated, some $34 billion a year.

By contrast, if we were to provide direct cash assistance, we estimate the annual cost of helping all of those in need of safe and sanitary housing --- not just one

family out of 15 --- would range between $8 billion and $11 billion. It would not be done with mirrors. It would simply shift the emphasis to existing standard housing and away from new production and it would rely on the proven effectiveness of the market mechanism to meet demand.

The new tack we are taking both in housing and in community development stem largely from the realization that the firefighting policies we had fashioned, in our haste, during the depths of the urban crises of the Sixties had, in many cases, simply added to the likelihood of future conflagrations. This new understanding cuts across party lines. Whether the Administration's Better Communities Act is passed or one of the Congressional alternatives, such as the Barrett-Ashley bill, is passed, or whether some compromise proposal, one thing is certain: money and power, which for decades have been pouring into Washington, are going to begin flowing back to the places where the problems are, to the people who are on the spot, on the firing line, and who can respond to local priorities and local needs.

The Better Communities Act, as you may know, in lieu of seven categorical grant programs administered by HUD--urban renewal, model cities, neighborhood facilities, public facilities, rehabilitation loans, water and sewer grants and open space grants--would distribute the money to local governments and States on the basis of objective criteria, not on the basis of who is best at the game of grantsmanship.

The federal government has begun to move already in new directions through such agencies and processes as Federal Regional Councils and the delegation of more authority to the field.

We have reversed a sustained, pernicious and bankrupt tendency to believe that Federal officials in Washington were the only persons who cared enough or knew enough to deal with domestic problems. Billions of dollars later, we have learned that Washington possesses neither a corner on compassion nor a monopoly on the capacity to solve tough problems. Indeed, we have discovered the contrary. Local communities, through their locally-elected officials, are anxious and able to attack their problems.

In essence, the New Federalism really represents the best of the old Federalism. It is grounded on a confidence in the people, on the assumption that Americans are capable of judging what is best for themselves; and that locally-elected officials are the best barometers of local needs. They are directly accountable, and accountability is at the heart of the New Federalism.

As Secretary Lynn has said, "Sending dollars and problems to Washington may salve consciences, but it does not solve problems."

What, you may want to know, are the implications of the New Federalism for the universities? What is going to happen to your research contracts? you may wonder.

Well, the first thing is that those bridges to Washington I spoke about earlier are not going to be enough any more. A lot of new bridges are going to have to be built to supplement them. But I think it will be worth the effort. The market for urban research won't dry up. It will simply shift and I strongly believe it will show new vigor. With new authority to set priorities, local governments will have a heavy new responsibility. To carry it out they will need to greatly improve their planning and management capabilities. They will need better data systems, better analysis, better control systems. They have always needed these things, of course, but now they will have the incentive and the cash to get them.

To help bring all this about, the heavy academic traffic should now flow across town to City Hall as well as to Washington. A strong network of university-local government partnerships is needed. The troubled waters between university and city must at last be bridged.

That will be no small task. As William P. Irwin of the Milwaukee Urban Observatory has written in Urban Affairs Quarterly (Sept. 1972):

> The psychological distance from a research scholar to a government technical representative with a graduate degree in Washington, D.C., is usually a good deal shorter than it is to a municipal line officer several blocks away. Local officials frequently have no idea how to state a research or service need in a manner that the academic researcher can comfortably examine. University scholars are at times woefully inept at explaining their research interests and abilities in terms which the official can relate to his operating needs. The quandary is deeper still. Both the official and the scholar may be quite unaware of the sort of assistance the former needs to discharge his responsibilities more knowledgeably. The upshot is that both tend to retreat into defensive and at times sniping positions.

The Urban Observatory program, which as you know was begun in 1969, is administered by the National League of Cities and funded by HUD and HEW and it represents the indispensable cornerstone in building a network of local government-university partnerships. The program operates at present in 10 cities--Albuquerque, Atlanta, Baltimore, Boston, Cleveland, Denver, Kansas City (both Kansas and Missouri),Milwaukee, Nashville and San Diego. And it has begun to build in these cities an effective transmission belt for bringing local research capabilities to bear in the search for solutions to local community problems.

The impact of the program has varied, of course, from city to city. In Albuquerque, for example, the impact has been important not so much in terms of research but in terms of providing a mechanism for an intergovernmental forum. It is operated under a joint-powers agreement among five involved agencies: the City of Albuquerque, the County of Bernalillo, the Albuquerque Public Schools, the University of Albuquerque, and the University of New Mexico. The value of the Observatory has been as a neutral meeting ground. It has provided the base for several coordinated efforts, including a conference on economic growth sponsored by all five agencies, and it has served to legitimize efforts that look toward integrated planning, programming and cooperation.

A housing inspection services study sponsored by the Boston Observatory resulted in a simplification of the housing inspection department's reporting system, the hiring of new inspectors and the training of them with funds allotted from Title I of the Higher Education Act of 1965; it also resulted in attempts to move the department away from a compliance orientation toward one of service. In Baltimore, on the other hand, a similar Observatory study brought into question the whole inspection mechanism, and caused the city to decrease inspection activities and concentrate its efforts on getting mortgage money into the inner city.

A study commissioned by the Boston Observatory of the "Little City Halls" program in that city clearly saved it from probable termination and provided impetus for the mayor to strengthen the program. As a result, voter-registration procedures were simplified

and decentralized to the little city halls.

A study of neglected and delinquent children in Nashville resulted in a complete revamping of the service system, which now is reported to provide better service to children at less cost. Survey techniques introduced by the Nashville Observatory were picked up and reused by at least four city departments. The existence of the observatory has encouraged departmental self-examination, I am told, and has enhanced the capacity of the local government to conduct long-range planning.

In Milwaukee, the Observatory has set up an Urban Research Information Center to provide for public agencies, the university and community groups a comprehensive storehouse of knowledge on urban problems.

The Denver Urban Observatory has been entrusted by the city with the task of basic research for the city-charter revision, which gives an indication of the respect the observatory has earned there.

Clearly, the urban observatories have proven to be valuable instruments for local governments in enhancing their planning and management capacities. They obviously represent an important step toward realizing the goals of the Better Communities Act and of the companion proposal, the Responsive Governments Act, which would provide financial assistance to increase local government capabilities in planning and managing resources--recognizing that they now are generally inadequate--in order to achieve local community goals in areas such as community betterment, adequate housing and environmental conservation and protection.

The chief disappointment in the observatories program has been the limited impact it has had on cities outside those that have been direct participants. That is a weakness we hope to resolve.

Because of the program's great value, the decision has been made at HUD to continue funding it at its present level in the next fiscal year--which is in the neighborhood of $1.5 million. To broaden the program's impact, however, we have decided to bring a set of 10 new cities into the network. The present 10 generally exceed 250,000 in population. The new set would be somewhat smaller in size to ensure a greater diversity of metropolitan areas.

As the National Academy of Public Administration said of the Urban Observatory program in 1971, it is "aimed at building a new institution in urban America to link decision and scholarship on urban problems." Institution building is, of course, a long-term process. By broadening the network, we believe we will be strengthening this infant institution's roots in urban American and thereby ensuring its growth.

A university, of course, is a great deal more than a repository for research contracts, much more than a service station or a knowledge bank for men of action. It is a community of scholars with a diversity of interests that, by definition, go far beyond the occasionally mundane concerns of municipal officials. The energies of that community of scholars in pursuit of their own interests offer in themselves an enormous potential treasure house for the urban community.

In an effort to partially tap those energies, I am announcing today that HUD will provide support for doctoral dissertation research in selected housing and urban studies through grants. Announcements of this initiative together with guidelines for proposal submission will shortly be sent by HUD to all members of the Council of Graduate Schools in the United States. The maximum grant will be $10,000 for one year. We anticipate as a part of this initiative, to convene an annual conference at HUD of the grantees, an advisory panel and other urban experts to discuss current urban policy issues.

Let me turn now, if I may, to another program for which HUD has major responsibility and which promises significant improvements in local government administrative capacities. I am referring to the programs of the Urban Information Systems Interagency Committee, or USAC. The Committee, as you may know, is a consortium of ten Federal departments and agencies chaired by a representative from HUD, which is the lead agency. USAC's focus is on the capabilities of the modern electronic computer and the opportunities it provides not only for doing things faster and more efficiently but also for amassing and analyzing the vital information needed to formulate and manage local government programs.

USAC currently is sponsoring the development of prototype automated information systems in five cities: Dayton, Ohio; Charlotte, N.C.; Reading, Pa.; Long Beach, Calif., and Wichita Falls, Texas. These demonstration projects has shown great promise of transferability to other cities.

Total Integrated Municipal Information Systems (IMIS) are being developed in Charlotte and Wichita Falls. This means that information systems are being applied to many groups of related activities, or modules, as the technicians define them.

The systems in the three remaining USAC cities, on the other hand, are more narrowly focused and concentrate on one particular functional subsystem. In Long Beach, for example, the focus is on public safety modules. In Dayton, the focus is on public finance modules and in Reading, it is on physical and economic development modules.

I don't wish to burden you with a lot of computer jargon. You're interested--as we are--in what the payoffs are. Well, let's take Charlotte as an example. A fire operations module has been developed there which provides fire fighters at the scene of an alarm with rapid access to stored computer data on each building for which a fire inspection has been conducted--providing information for example, on the amount and location of volatile materials, which can be critical to the fire-fighting or rescue tactics used. The result is improved fire services to the community, increased protection for the fire fighter and the minimizing of life and property losses from fires.

The equipment management module in Charlotte provides municipal officials with a data system which insures that each unit of expensive equipment--from police cars to fire trucks to street cleaning equipment--provides a maximum of service with a minimum of down time. It does this by providing reports on each unit's maintenance history, reports that pinpoint abnormal conditions

and preventive maintenance schedules.

The landfill control module provides public works administrators with an efficient means for the planning and control of solid waste disposal activities, specifically the recording of detailed information on landfill use and the nature and amount of refuse received from residential, commercial and industrial sources.

The traffic control maintenance inventory module provides a mechanism for maintaining an inventory by location of all traffic control devices and pavement markings, thus facilitating maintenance work.

The geographic data index maintenance module provides a workable mechanism for linking together data from all city departments based on geographic identifiers.

All of these systems permit incremental improvements in specific areas of city administration. They may not seem dramatic. But the cumulative impact of many such incremental changes and improvements in municipal operations is what ultimately is going to make the difference between cities that can cope and cities that cannot.

Revenue sharing is one answer--but it is not going to permit profligacy in the face of rapidly growing service demands. To stay in place on the treadmill, most cities are going to have to launch determined efforts, as well, to improve productivity so that they can provide better service at the same or less cost. The USAC program offers them one tool for accomplishing that.

Let me close with a brief general word about the federal government's research role when the New Federalism is no longer a vision but a fact. I have been talking mostly about one of the several goals of our program activities in Policy Development and Research at HUD, which is to strengthen the capabilities of state and local governments to meet public needs, a goal which includes the development of an improved research and development capacity at the state and local levels. It must also be recognized, however, that when it comes to research and development, the Federal Government has a unique role to play. Federal R&D can take advantage of a critical mass of human and dollar resources that may elude State and local governments. It can take advantage of economies of scale and central data collection and it can do a more uniform job of dissemination. What it cannot do is force a federal solution to state and local problems. The central conclusion of the 1972 report of the Committee on Intergovernmental Science Relations, you may recall, was that technology cannot be force fed. The demand for it must be created and nurtured. What this means, obviously, is that while the Federal Government under the New Federalism will have a unique capacity to conduct technological and managerial research and to demonstrate new systems and methods for application by other levels of government, it cannot perform that work in a vacuum free of "reality" and practical needs as seen by those on the firing line at the state and local level.

Clearly, then, if Government is to meet the most pressing domestic needs of the 1970's, there must be a flexible and responsive research partnership among all levels of government.

The university community working closely with all levels of government can provide the indispensable glue for that partnership.